

Jefferson County Public Hospital District No.2
Board of Commissioners, Regular Session Minutes
Wednesday, November 15, 2017
Victor J. Dirksen Conference Room

Call to Order:

The meeting was called to order at 3:30pm by Commissioner Buhler. Present were Commissioners Buhler, Dressler, De Leo, Kolff, and Ready. Also present were Mike Glenn, Chief Executive Officer, Hilary Whittington, Chief Administrative Officer/Chief Financial Officer, Lisa Holt, Chief Ancillary and Specialty Services Officer, Caitlin Harrison, Chief Human Resources Officer, Brandie Manuel, Chief Patient Care officer, Joe Mattern, MD, Chief Medical Officer, and Alyssa Rodrigues, Administrative Assistant. This meeting was officially audio recorded by Jefferson Healthcare.

Employee and Team of the Quarter:

Mike Glenn, CEO presented the 3rd quarter Team of the Quarter, Commission on Cancer Accreditation Committee and the Employee of the Quarter, Christine Curtis.

Patient Story:

Brandie Manuel, Chief Patient Care Officer, described hospice and palliative care services and announced that Jefferson Healthcare had introduced a palliative care program in August. She also described a patient's successful experience within the program.

Approve Agenda:

Commissioner Dressler made a motion to approve the agenda. Commissioner Kolff seconded.

Commissioner Kolff made an amended motion to add public comment after Board Reports.

Commissioner De Leo seconded.

Action: Amended motion passed unanimously.

Commissioner De Leo made an amended motion to move Meeting Change Resolution 2017-40 above Board Reports as its own agenda item. Commissioner Kolff seconded.

Discussion ensued.

Action: Amended motion passed unanimously.

Action: Main motion passed unanimously.

Minutes:

- November 1 Regular Session minutes

Commissioner Kolff made a motion to approve the November 1 Regular Session Minutes. Commissioner Dressler seconded.

Action: Motion passed unanimously

Required Approvals:

- October Warrants and Adjustments
- Resolution 2017-41 Canceled Warrants

Commissioner De Leo made a motion to approve October Warrants and Adjustment, and Resolution 2017-41 Canceled Warrants as presented. Commissioner Dressler seconded the motion.

Action: Motion passed unanimously.

Public Comment:

Public comment was made.

Budget Hearing Fiscal Year 2018: Action Requested

- 2018 Operations Budget Summary
- 2018 Capital Budget Summary
- Public Comment
- Commission Discussion

Hilary Whittington, CFO/CAO presented the 2018 Operations Budget Summary

Discussion ensued from Commissioners.

Hilary Whittington, CFO/CAO presented the 2018 Capital Budget Summary.

Discussion ensued from Commissioners.

Public comment was made.

Adopt Resolutions: Action Requested

- Resolution 2017-42 With/Without Property Tax Increase
- Resolution 2017-43 Fiscal Year 2018 Budget

Discussion ensued.

Commissioner Kolff made a motion to approve Resolution 2017-42 with 7.5% Property Tax Increase. Commissioner De Leo seconded.

Action: Motion passed unanimously.

Commissioner De Leo made a motion to approve Resolution 2017-43 Fiscal Year 2018 Budget. Commissioner Dressler seconded the motion.

Action: Motion passed unanimously.

Financial Report:

Hilary Whittington, CAO/CFO presented the October Finance Report.

Discussion ensued.

Administrator's Report:

Mike Glenn, CEO, presented the administrator's report.

Discussion ensued.

Chief Medical Officer Report:

CMO, Joe Mattern, gave his CMO report including an update on the ACO, Telehealth, provider events and education, primary care access, HPV clinics and flu clinics.

Discussion ensued.

2017-40 Meeting Change Resolution: No action requested

Commissioner Dressler suggested fixing a typo, "...beginning January 24, 2017" to "...beginning January 24, 2018", in Resolution 2017-40 Meeting Change.

Board Reports:

Commissioner Dressler reported that the Festival of Wreaths will be December 2 from 10am-8pm at the Cannery and that the Festival of Wreaths will be sharing space with the Wearable Arts event.

Commissioner De Leo reported that the Autopsy report will be brought back to board for review in December.

Commissioner Kolff reported that there will be a Legislative Update scheduled for December 14 and they should decide who will be attending at the next meeting on December 6.

Commissioner Buhler reported that there will not be a Board of Health meeting this month.

Public Comment:

Public comment was made.

Executive Session:

- CEO Evaluation Format

Commissioner Buhler recessed for a break at 5:35pm.

Commissioner Buhler reconvened the meeting at 5:45pm.

Commissioner Buhler announced they will go into Executive Session to discuss CEO Evaluation Format and no action will be taken.

Commissioners went into Executive Session at 5:45pm. No public was present.

Commissioners came out of Executive Session at 5:55pm. No public was present.

Conclude:

Commissioner Dressler made a motion to conclude the meeting. Commissioner Kolff seconded the motion.

Action: Motion passed unanimously.

Meeting concluded at 5:55pm.

Approved by the Commission:

Chair of Commission: Jill Buhler _____

Secretary of Commission: Marie Dressler _____



Jefferson
Healthcare

Today's Plan

- Overview of 2018
- Discuss taxation options
- Operating budget overview
- Capital budget overview

A photograph of a modern, multi-story brick and glass building, likely a hospital or healthcare facility, with large windows and a covered entrance.

Overview of 2018

We physically grew in 2017 – the growth in 2018 is in volumes driven by stabilizing new(ish) programs and increasing access to primary care.



Grow primary care

(New providers, increase access)



Expand ancillary and specialty services

(Growth in primary care fuels growth in ancillary and specialty services)



Maintain inpatient volumes

(Focus on outpatient growth to prevent the need for as much high level care)



Support the growth

(Higher volumes require infrastructure and support services)

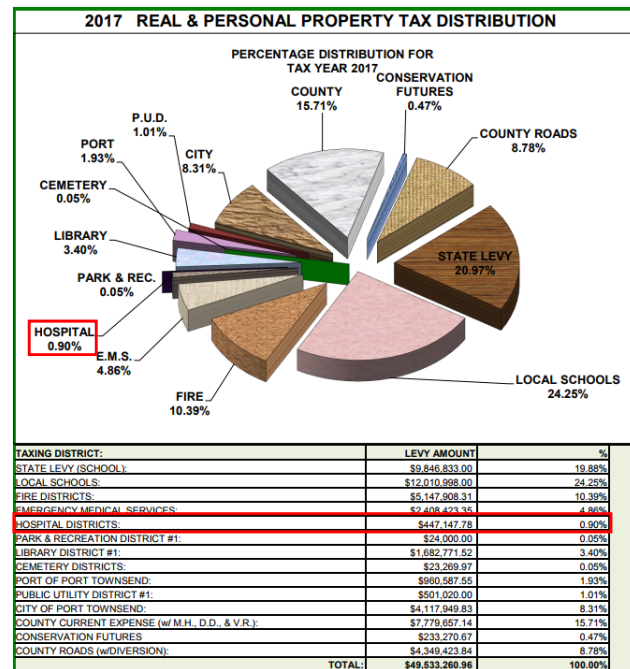
What's changed

since our budget workshop on October 27

- Depreciation – finalized detailed depreciation schedule based on 2018 capital budget
- Took out additional .5 FTE in Home Health and Hospice planned for Epic go-live (will do in 2019)
- Slightly adjusted pricing changes
- Separating patient advocates into their own department (no net income change)
- Increased charity care for new sliding fee scale amounts
- Adjusted contractual adjustments to reflect these changes

Current Tax Allocation

Based on 2017 revenues



Current Tax Assessment Math

	Maintenance & operations	LTGO bonds	Total
Valuation	\$4,851,434,878	\$4,851,434,878	\$4,851,434,878
Levy rate per 1000	.0418108467	.0464004725	.0882113192
Assessment for \$400,000 home	\$16.72	\$18.56	\$35.28
Assessment for \$400,000 with 1% increase	\$16.89	\$18.75	\$35.64
Assessment for \$400,000 with 7.5% increase	\$17.98	\$19.95	\$37.93

Property Tax Assessment - Options

	0%	1%	7.5% (use banked)
Tax increase	\$0	\$4,253.68	\$31,902.61
Total taxes	\$435,000	\$440,000	\$467,000
Our total operating expenses budget	\$110,000,000	\$110,000,000	\$110,000,000
% of budget	.395%	.4%	.424%

*Currently, using the banked potential with tax revenues of \$467,000 is in the budget; setting it at the top end ensures any level of taxation the board makes fits in the budget (taxation limited to the District's budget)

2018 Operating Budget: Version 1 (7.5%)

Operating revenue

	2016 Actual	2017 Budget	June 2017 Projected	Jul 2016-Jun 2017	2018 Budget	Difference from 2017 Projected
01_IP REVENUE	(33,932,061)	(40,512,662)	(46,893,618)	(40,704,856)	(51,909,326)	(5,015,708)
02_OP REVENUE	(133,629,576)	(169,748,507)	(159,131,096)	(147,185,243)	(186,762,393)	(27,631,297)
TOTAL PATIENT REVENUES	(167,561,636)	(210,261,169)	(206,024,714)	(187,890,100)	(238,671,719)	(32,647,005)
05_REV DED/MEDICARE	52,839,064	69,295,245	73,606,961	61,461,393	83,280,483	9,673,522
06_REV DED/MEDICAID	17,941,633	25,805,335	19,850,303	17,803,936	23,890,272	4,039,969
07_CHARITY CARE	927,129	1,315,219	968,614	871,459	1,471,539	502,925
08_CONT ADJ OTHER	12,938,279	14,732,354	15,477,831	14,640,234	18,353,377	2,875,546
09_REV DED/ADMIN	190,894	236,906	432,782	310,530	531,320	98,538
10_BAD DEBTS	2,828,822	3,119,221	2,930,508	3,011,195	3,465,805	535,297
TOTAL REVENUE ADJUSTMENTS	87,665,821	114,504,281	113,266,999	98,098,747	130,992,796	17,725,797
NET PATIENT SERVICE REVENUE	(79,895,815)	(95,756,888)	(92,757,715)	(89,791,353)	(107,678,923)	(14,921,208)
11_GRANTS	(74,097)	(345,830)	(34,220)	(72,293)	(20,000)	14,220
12_OTHER REVENUE	(1,063,682)	(984,200)	(1,383,810)	(1,275,374)	(1,491,660)	(107,850)
13_REV/MEANINGFUL USE	(182,750)	(40,000)	(1,568)	(162,284)	-	1,568
14_340B REVENUE	(3,202,317)	(3,064,100)	(3,309,011)	(3,442,397)	(3,473,800)	(164,789)
15_PROVIDER A/R COLL	-	-	-	-	-	-
TOTAL OTHER REVENUES	(4,522,846)	(4,434,130)	(4,728,609)	(4,952,348)	(4,985,460)	(256,851)
TOTAL OPERATING REVENUES	(84,418,662)	(100,191,018)	(97,486,324)	(94,743,701)	(112,664,383)	(15,178,059)

2018 Operating Budget: Version 1 (7.5%)

Expenses & nonoperating activity

	2016 Actual	2017 Budget	June 2017 Projected	Jul 2016-Jun 2017	2018 Budget	Difference from 2017 Projected
20_SALARIES	40,704,755	49,582,452	47,884,907	45,454,799	56,550,859	8,665,952
21_EMPLOYEE BENEFITS	9,863,087	12,247,947	12,143,326	10,710,932	14,245,919	2,102,593
22_PROFESSIONAL FEES	3,838,440	3,420,100	4,911,069	4,394,208	4,515,736	(395,333)
23_PURCHASED SERVICES	5,912,658	6,355,990	6,070,504	6,361,629	6,879,616	809,112
24_SUPPLIES	13,157,960	14,275,245	14,867,156	14,820,847	16,705,575	1,838,419
25_INSURANCE	676,041	680,000	583,862	641,006	675,800	91,938
26_LEASES/RENTALS	1,383,808	1,739,450	1,401,820	1,392,343	1,451,384	49,564
27_DEPRECIATION	4,139,560	3,671,829	4,213,851	4,153,513	4,673,247	459,396
28_REP&MAINT	678,334	909,300	542,650	679,116	957,812	415,162
29_UTILITIES	829,921	919,889	980,439	947,408	1,035,105	54,666
30_LICENSES/TAXES	627,245	548,264	647,897	646,533	608,331	(39,566)
31_OTHER	1,754,272	2,058,484	1,605,802	1,804,235	2,327,333	721,531
TOTAL OPERATING EXPENSES	83,566,081	96,408,951	95,853,283	92,006,569	110,626,717	14,773,434
OPERATING (INCOME) LOSS	(852,581)	(3,782,068)	(1,633,041)	(2,737,132)	(2,037,666)	(404,625)
40_TAX M&O	(172,921)	(202,000)	(200,655)	(185,995)	(272,000)	(71,345)
41_TAX DEBT	(253,816)	(223,750)	(216,956)	(235,440)	(195,000)	21,956
41.1_TAX REFUNDS	-	-	-	-	-	-
42_INVESTMENT INCOME	(117,597)	(77,500)	(209,873)	(175,793)	(162,500)	47,373
43_INTEREST EXPENSE	527,782	1,008,053	512,957	493,694	1,153,322	640,365
44_GAIN/LOSS ON SALE	(39,355)	-	(21,900)	(3,556)	-	21,900
45_CONTRIBUTIONS	(58,535)	(140,000)	(630,544)	(352,876)	(172,000)	458,544
46_EXTRAORDINARY	-	-	-	-	-	-
47_BOND ISSUE COSTS	-	150,000	-	-	-	-
TOTAL NONOPERATING (REVENUES) EXPENSES	(114,443)	514,803	(766,971)	(459,965)	351,822	1,118,793
CHANGE IN NET POSITION: (POSITIVE)/NEGATIVE	(967,023)	(3,267,265)	(2,400,012)	(3,197,097)	(1,685,844)	714,168

2018 Operating Budget: Version 1 (7.5%)

Key ratios

	2016 Actual	2017 Budget	June 2017 Projected	Jul 2016-Jun 2017	2018 Budget	Difference from 2017 Projected
Operating Margin	1.01%	3.77%	1.68%	2.89%	1.81%	0.13%
Total margin	1.15%	3.26%	2.46%	3.37%	1.50%	-0.97%
Salaries & Benefits as a % of net pt. service rev.	63.29%	64.57%	64.72%	62.55%	65.75%	1.03%
Salaries & Benefits as a % of total revenue	59.90%	61.71%	61.58%	59.28%	62.84%	1.26%
Salaries & Benefits as a % of total expenses	60.51%	64.13%	62.63%	61.05%	64.00%	1.37%
51_ADJUSTED PATIENT DAYS	20,784	25,550	23,192	21,342	25,567	2,375
Gross Patient Revenue / Adjusted Patient Day	8,062.05	8,229.40	8,883.44	8,803.77	9,335.18	451.74
Net Patient Service Revenue / Adjusted Patient Day	3,844.10	3,747.82	3,999.56	4,207.26	4,211.65	212.10
Wages & Benefits / Adjusted Pt. Day	2,433.02	2,419.98	2,588.32	2,631.70	2,769.08	180.76
Total Operating Expense / Adj. Pt. Day	4,020.69	3,773.34	4,133.03	4,311.06	4,326.95	193.92
Total Oper. Exp. / Net Pt. Rev	-98.99%	-96.23%	-98.32%	-97.11%	-98.19%	0.13%
Labor Hours / Adjusted Patient Day	45.88	42.00	46.38	47.68	47.55	1.18
Total Oper. Expense (excl. depreciation) / Adj Pt Day	3,821.52	3,629.63	3,951.34	4,116.44	4,144.17	192.83
Labor Hours (excludes providers)	953,513.60	1,073,196.80	1,075,541.52	1,017,598.40	1,215,760.00	140,218.48

2018 Operating Budget: Version 2 (0%)

Operating revenue

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2018 Operating Budget: Version 2 (0%)

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2018 Operating Budget: Version 3 (1%)

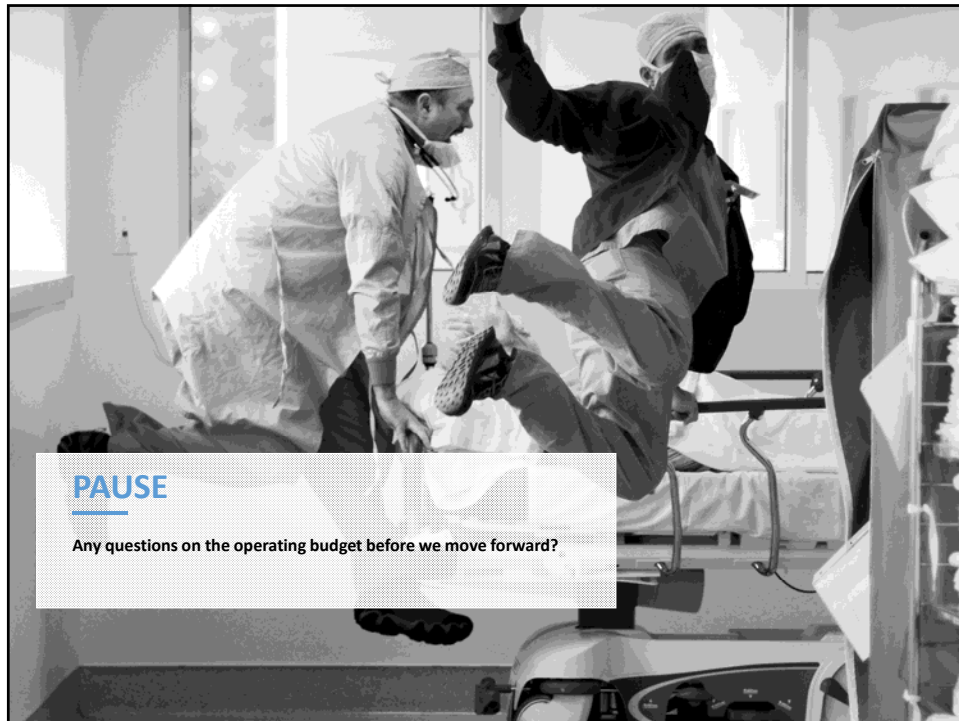
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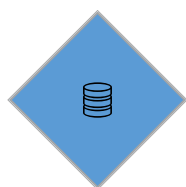
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28_REP&MAINT	678,334	909,300	542,650	679,116	957,812	415,162
29_UTILITIES	829,921	919,889	980,439	947,408	1,035,105	54,666
30_LICENSES/TAXES	627,245	548,264	647,897	646,533	608,331	(39,566)
31_OTHER	1,754,272	2,058,484	1,605,802	1,804,235	2,327,333	721,531
TOTAL OPERATING EXPENSES	83,566,081	96,408,951	95,853,283	92,006,569	110,626,717	14,773,434
OPERATING (INCOME) LOSS	(852,581)	(3,782,068)	(1,633,041)	(2,737,132)	(2,037,666)	(404,625)
40_TAX M&O	(172,921)	(202,000)	(200,655)	(185,995)	(272,000)	(71,345)
41_TAX DEBT	(253,816)	(223,750)	(216,956)	(235,440)	(168,000)	48,956
41_1_TAX REFUNDS	-	-	-	-	-	-
42_INVESTMENT INCOME	(117,597)	(77,500)	(209,873)	(175,793)	(162,500)	47,373
43_INTEREST EXPENSE	527,782	1,008,053	512,957	493,694	1,153,322	640,365
44_GAIN/LOSS ON SALE	(39,355)	-	(21,900)	(3,556)	-	21,900
45_CONTRIBUTIONS	(58,535)	(140,000)	(630,544)	(352,876)	(172,000)	458,544
46_EXTRAORDINARY	-	-	-	-	-	-
47_BOND ISSUE COSTS	-	150,000	-	-	-	-
TOTAL NONOPERATING (REVENUES) EXPENSES)	(114,443)	514,803	(766,971)	(459,965)	378,822	1,145,793
CHANGE IN NET POSITION:(POSITIVE)/NEGATIVE	(967,023)	(3,267,265)	(2,400,012)	(3,197,097)	(1,658,844)	741,168



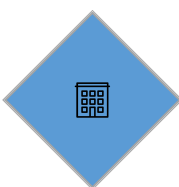
Flavors of Capital

The capital budget process captures different categories of capital expenditures.



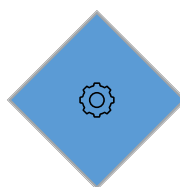
Major moveable and fixed equipment

Replacement or new equipment for existing or growing services



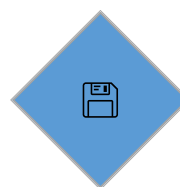
Space improvements

Building out shell space, updating existing space, and staying ahead of aging aesthetics



Preventative replacement

HVAC systems, boilers, chillers, and other things we sometimes forget to appreciate



IT Infrastructure

Staying ahead of the IT curve and replacing components of the system proactively... And adding cool new systems where we can afford (time and money) to do so

Capital Budget - 2018

Sum of Cost/ROM Status	Request Type	Department	Request	Year 2018
Approved	Capital	Echo	Cardiovascular Ultrasound Machine	130,000
			Stress Treadmill	32,542
		Emergency	Stretcher x2 - 1 Bariatric, 1 Non-Electric	26,825
		Facilities	Redundant Chiller	274,500
		FBC	Panda Infant Stabilization/Warmer	24,654
		IT	VM Server Replacement	50,350
			Vocera-Phase 1	125,000
			Imprivata-Phase 1	220,000
		JHSA	Copier w/Color Option	8,499
		Lab	Under Counter Freezer	5,841
			Rover System	16,600
			Blood Bank Gel Method Centrifuge	9,047
		Nursing Administration	Philips Central Monitor, Telemetry and Monitor Upgrade	407,491
		Rehab	Endoscope for Speech Therapy	39,019
		Surgery	Tall Stryker Gurney	11,250
		Capital Total		1,381,617
	Project	Facilities	Med Gas Phase #3	65,000
			Maintenance Shop & Parking	150,000
			Level 1 & 2 Buildout	1,200,000
		ICU	Tele Tech Furniture	50,000
		JHPC	915 S Linen Closet Build Out	1,500
			915 S Break Room	35,000
			915 N Break Room	35,000
			915 N Walk In Counter	30,000
			915 N Storage Room	500
		JHPLC	Build out for the shell/ meeting space	50,000
		Port Ludlow Specialty Services	Port Ludlow Tenant Improvements- Old Clinic	40,000
		Rehab	Replace Rehab Flooring w/Hard Floors	80,000
			Counters	750
			Divide Olympic room into two rehab treatment rooms	35,000
		SOCO	Paint, clean, spruce up , create an exam room in break room	5,000
		Surgery	Floors	35,000
		Project Total		1,812,750
Approved Total				\$3,194,367

Capital Budget – 2018:

Additional capital items contingent on meeting net income targets in June 2018

Sum of Cost/ROM Status	Request Type	Department	Request	Year 2018
Contingent	Capital	BioMed	RTLS Infrared Monitoring for Asset Tracking (50) *Contingent on net income	66,000
		Dietary	40 Qt. Mixer *Contingent on net income	12,860
		Employee Health	Employee Health Electronic Medical Record *Contingent on net income	27,000
		FBC	Guardian Infant Protection System *Contingent on net income	45,227
		Infection Control	Hand Hygiene Monitoring System *Contingent on net income	52,115
		IT	Network Diagramming and Configuration Management *Contingent on net income	15,500
		JHSA	Ultrasound *Contingent on net income	35,970
		Lab	Interface w/NW Pathology /EPIC *Contingent on net income	20,000
		Surgery	Steris OR Surgical Table *Contingent on net income	38,707
			30 Watt Holmium Laser *Contingent on net income	39,920
Capital Total				353,299
Contingent Total				353,299
Grand Total				3,547,666

2019-2022 Capital Requests:

Budget placeholders set,
but detail review
completed annually

Pricing and needs can
change significantly, but
the roadmap is essential

Department	Request	2019	2020	2021	2022
ACU	Bariatric Bed	33,000			
	Bladder Scanner			14,000	
	Beds				20,000
	Remodel room 314 for Bariatric Needs				
	Nurse Call Reporting	40,000			
	ACU Refresh	500,000			
ACU Total		573,000		14,000	20,000
Administration	915 Clinic-2nd Floor Remodel	300,000			
Administration Total		300,000			
Anesthesia	Nerve Block Ultrasound		50,000		
Anesthesia Total			50,000		
CT	CT Scanner		1,200,000		
CT Total			1,200,000		
Dermatology	Full body Phototherapy Cabinet	48,340			
Dermatology Total		48,340			
Diagnostic Imaging	Linear Accelerator				
	*Exploring the possibility			3,000,000	
	X-Ray Room #1-R&F Equipment	544,000			
Diagnostic Imaging Total		544,000		3,000,000	
Emergency	Non Electric Stretcher	8,573			
Emergency Total		8,573			
EVS	Stand-ON Scrubber w/Ecoflex	8,148			
EVS Total		8,148			
Facilities	Boiler x2			240,000	
	Medical Air and Vacuum Pump x3	95,700			
	Service Mule	9,500			
	Air Handler Unit x2	400,000	400,000		
	Air Handler Unit			50,000	
Facilities Total		505,200	400,000	290,000	
FBC	Echo Screen III Pro Infancy Hearing Screener	16,623			
	Labor and Delivery Bed w/Overlay	20,068			
	FBC Flooring	30,000			
FBC Total		66,691			
HHH	HHH EPIC	166,000			
HHH Total		166,000			
Hospitalist	Ultrasound		68,000		
Hospitalist Total			68,000		

[cont'd]
2019-2022
Capital
Requests:

Budget placeholders set,
but detail review
completed annually

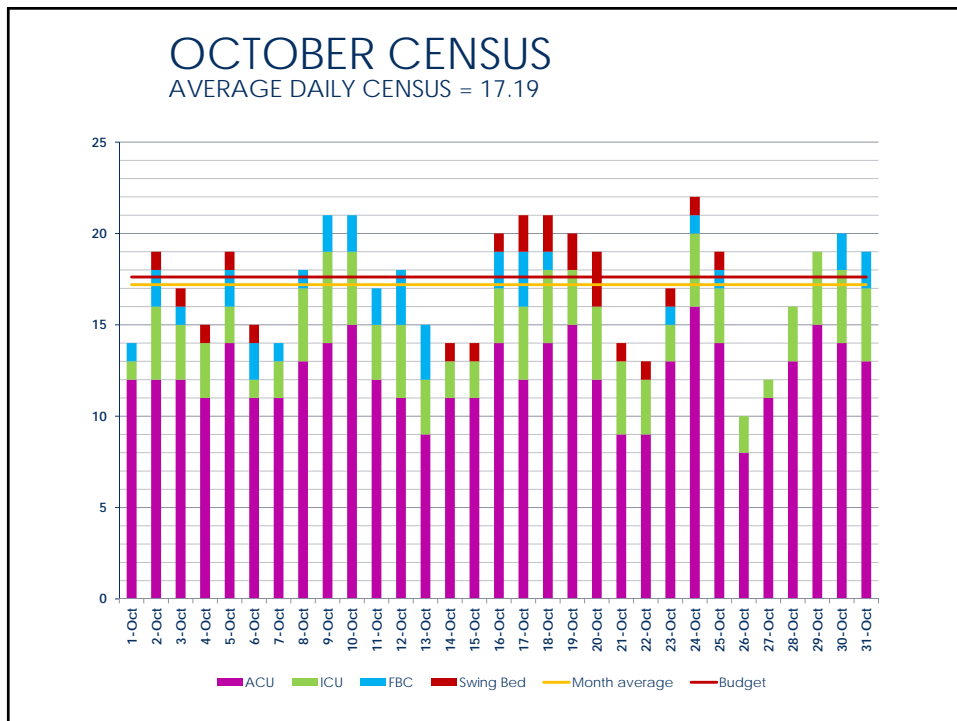
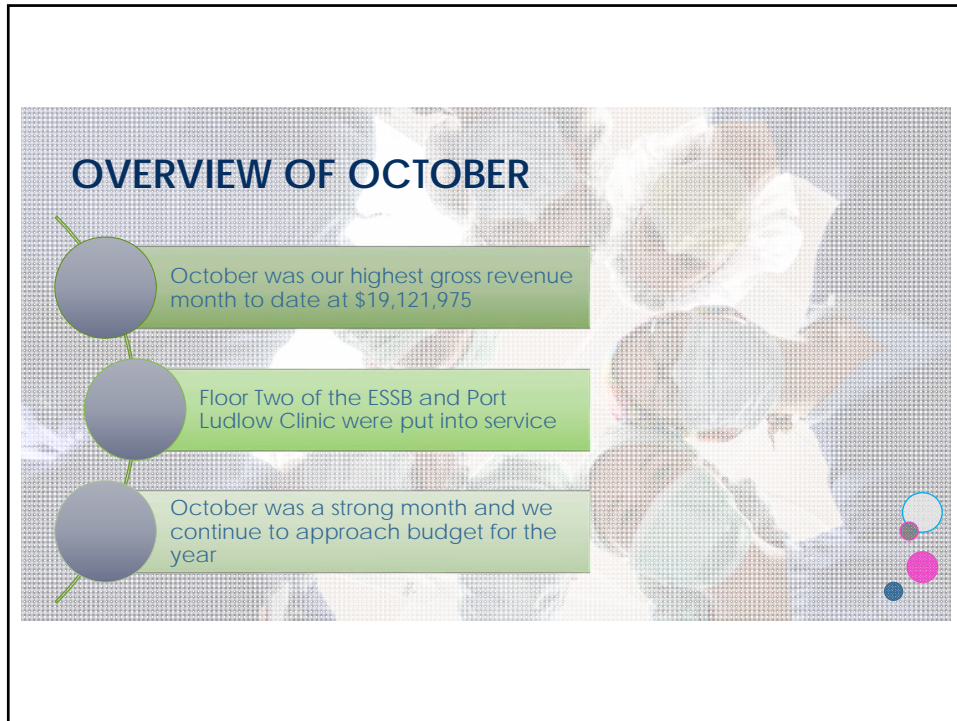
Pricing and needs can
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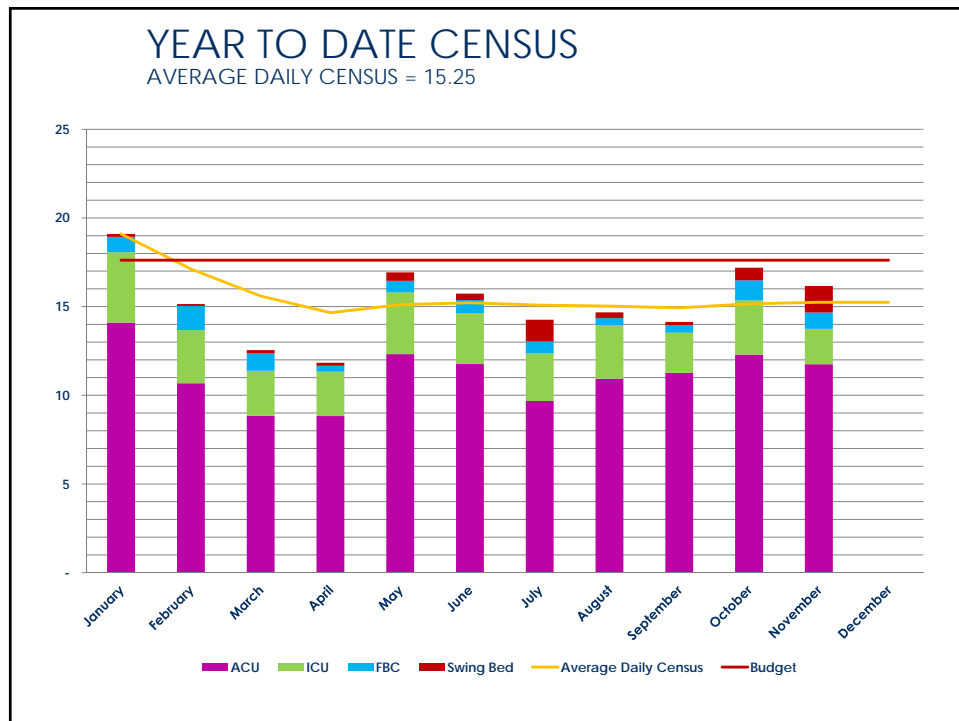
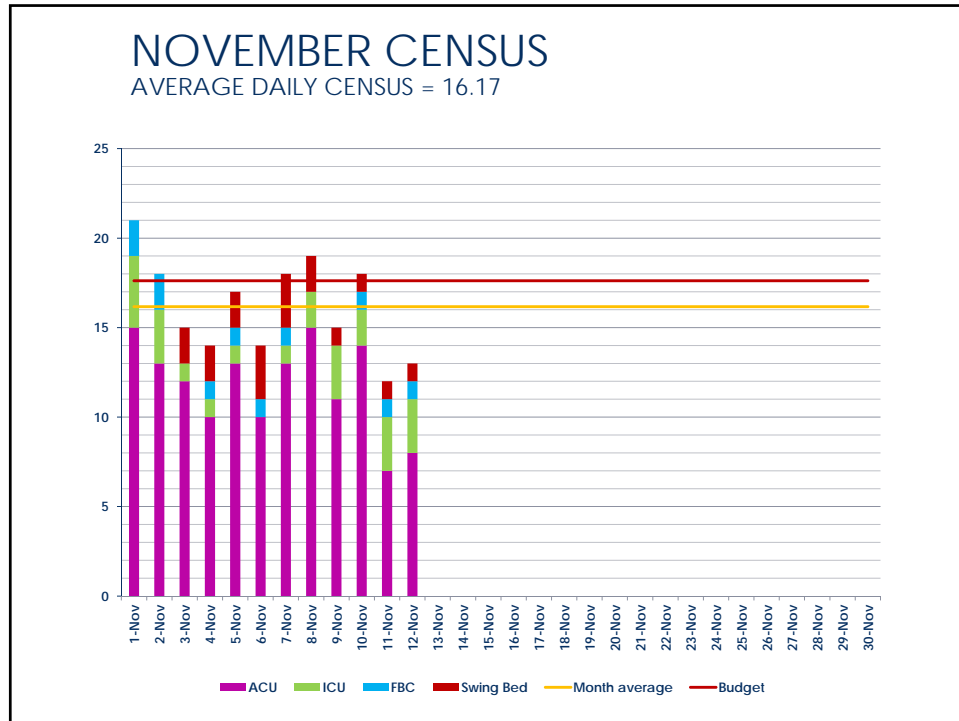
Department	Request	2019	2020	2021	2022
IT	Vocera-Phase 2	78,087			
	Lawson Document Scanning Phase 1	200,000			
	Archive Meditech	100,000			
	Patient Infotainment System	150,000			
	Terminal Services	7,300			
	Self Service Password Reset	50,000			
	MDM	25,000			
	Imprivata-Phase 2	114,300			
	Archive Allscripts		100,000		
IT Total		724,687	100,000		
JHPLC	Build out for the shell/ meeting space -Furniture	50,000			
JHPLC Total		50,000			
JHSA	OER Pro Olympus Reprocessor	36,458			
	Plumbing for OER Pro Olympus Reprocessor	15,000			
JHSA Total		51,458			
Lab	Telecore-Middleware for POC	24,156			
	Urinalysis Instrumentation Upgrade	10,000			
	ESR Instrument Upgrade	10,000			
	Blood Bank Software	300,000			
	Bacti Alert - Micro		30,000		
	Co2 Incubator		8,000		
	Incubator		7,000		
	Double Door Freezer			15,000	
	Refrigerator			6,156	
Lab Total		344,156	45,000	21,156	
Registration	Epic Welcome Kiosk	24,000			
Registration Total		24,000			
Rehab	Dynavision-Neurology Re-Education	43,055			
	*Contingent on meeting net income budget.				
Rehab Total		43,055			
Respiratory					
Therapy	Draeger Ventilator	35,347		35,347	
	Transport Vent		16,011		
	Comprehensive ECG System				220,639
Respiratory Therapy Total		35,347	16,011	35,347	220,639
Sterile Processing	Autoclave, Automatic Washer, & Triple Sink		251,155		
Sterile Processing Total			251,155		
Surgery	Rigid Ureteroscope	9,569			
	Olympus OER Pro Endoscope				48,314
Surgery Total		9,569			48,314
Grand Total		\$ 3,502,223	\$ 2,130,166	\$ 3,360,503	\$ 288,953

Jefferson
Healthcare

Thank you.
... discussion
... questions







OPERATING STATISTICS

OCTOBER 2017

STATISTIC DESCRIPTION	October BUDGET	October ACTUAL	QUANTITY VARIANCE	% VARIANCE
ICU PATIENT DAYS (IP + OBSERVATION, MIDNIGHT CENSUS)	82	93	11	13%
ACU PATIENT DAYS (IP + OBSERVATION, MIDNIGHT CENSUS)	316	374	58	18%
SWING IP PATIENT DAYS (MIDNIGHT CENSUS)	59	22	(37)	-63%
PATIENT DAYS (ACU, ICU, SWING), INCLUDES OBSERVATION	458	489	31	7%
BIRTHS	9	16	7	78%
SURGERY MINUTES (IN OR)	8,563	11,207	2,644	31%
SPECIAL PROCEDURE CASES	127	56	(71)	-56%
RECOVERY MINUTES	6,738	5,766	(972)	-14%
LAB BILLABLE TESTS	17,306	17,584	278	2%
TOTAL BLOOD BANK UNITS MATCHED	47	37	(10)	-21%
TOTAL RADIOLOGY TESTS	1,438	1,322	(116)	-8%
MRIs COMPLETED	165	159	(6)	-4%
CT SCANS COMPLETED	375	386	11	3%
ULTRASOUNDS COMPLETED	261	272	11	4%
NUC MED TESTS	39	14	(25)	-64%
TOTAL DIAGNOSTIC IMAGING TESTS	2,278	2,153	(125)	-5%

OPERATING STATISTICS

OCTOBER 2017

STATISTIC DESCRIPTION	October BUDGET	October ACTUAL	QUANTITY VARIANCE	% VARIANCE
TOTAL PHARMACY UNITS	11,280	24,639	13,359	118%
TOTAL RESPIRATORY THERAPY PROCEDURES	2,897	2,643	(254)	-9%
ER CENSUS	1,021	1,107	86	8%
SOCO PATIENT VISITS (ENCOUNTERS)	177	198	21	12%
JHPC & JMPG PATIENT VISITS (ENCOUNTERS)	2,564	2,416	(148)	-6%
JHFM PATIENT VISITS (ENCOUNTERS)	1,287	1,220	(67)	-5%
JHIM PATIENT VISITS (ENCOUNTERS)	607	684	77	13%
TOTAL RURAL HEALTH CLINIC VISITS	4,635	4,518	(117)	-3%
JHPLC PATIENT VISITS (ENCOUNTERS)	475	486	11	2%
GEN SURG PATIENT VISITS	350	302	(48)	-14%
ORTHO PATIENT VISITS	1,042	692	(350)	-34%
INFUSION CENTER VISITS	469	523	54	12%
WOUND CARE VISITS	313	267	(46)	-15%
ONCOLOGY VISITS	395	350	(45)	-11%
ANTI COAG VISITS	552	461	(91)	-16%
SLEEP CLINIC VISITS	212	216	4	2%
CARDIOLOGY CLINIC	205	289	84	41%
WOMENS CLINIC	149	206	57	38%

OCTOBER REVENUES AND ADJUSTMENTS

	October 2017 Actual	October 2017 Budget	Variance Favorable/ (Unfavorable)	%	October 2017 YTD	October 2017 Budget YTD	Variance Favorable/ (Unfavorable)	%	October 2016 YTD
Gross Revenue									
Inpatient Revenue	4,408,734	3,440,801	967,932	28%	37,785,192	33,742,040	4,043,152	12%	28,063,203
Outpatient Revenue	14,713,237	14,416,995	296,242	2%	136,610,187	141,379,525	(4,769,337)	-3%	115,059,668
Total Gross Revenue	19,121,971	17,857,796	1,264,174	7%	174,395,380	175,121,565	(726,186)	0%	143,122,871
Revenue Adjustments									
Cost Adjustment Medicaid	2,348,747	2,191,686	(157,061)	-7%	16,601,518	21,492,655	4,891,137	23%	16,006,865
Cost Adjustment Medicare	6,052,436	5,885,349	(167,087)	-3%	61,580,794	57,714,374	(3,866,420)	-7%	46,509,288
Charity Care	128,690	111,704	(16,986)	-15%	945,145	1,095,415	150,270	14%	823,007
Contractual Allowances Other	1,496,825	1,251,241	(245,584)	-20%	13,353,647	12,270,230	(1,083,417)	-9%	10,533,471
Administrative Adjustments	47,607	20,121	(27,486)	-137%	391,758	197,314	(194,444)	-99%	162,437
Adjust Bad Debt	284,425	264,920	(19,505)	-7%	2,470,424	2,597,926	127,502	5%	2,244,437
Total Revenue Adjustments	10,358,728	9,725,020	(633,708)	-7%	95,343,284	95,367,913	24,629	0%	76,279,504
Net Patient Service Revenue	8,763,243	8,132,776	630,466	8%	79,052,095	79,753,652	(701,557)	-1%	66,843,367
Other Revenue									
340B Revenue	287,858	260,239	27,619	11%	2,806,524	2,552,017	254,508	10%	2,436,334
Meaningful Use Ehr Incentive	-	3,397	(3,397)	-100%	136,784	33,315	103,469	311%	46,750
Other Operating Revenue	146,568	112,961	33,607	30%	1,338,441	1,107,751	230,690	21%	941,715
Total Operating Revenues	9,197,668	8,509,373	688,295	8%	83,333,844	83,446,734	(112,890)	0%	70,268,166

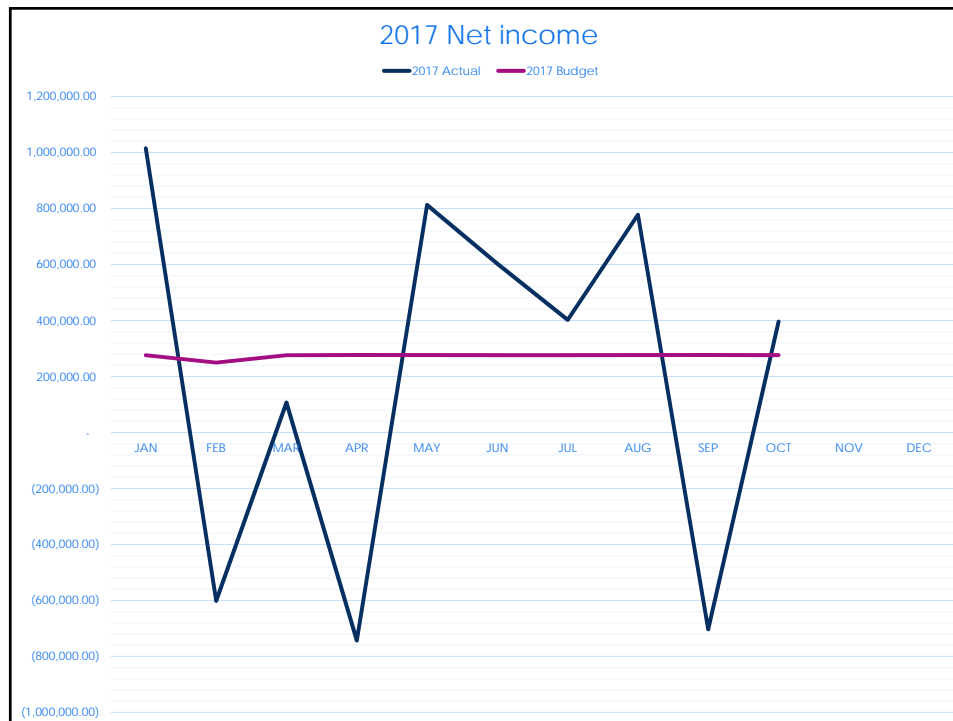
OCTOBER EXPENSES, NONOPERATING ACTIVITIES, AND CHANGE IN NET POSITION

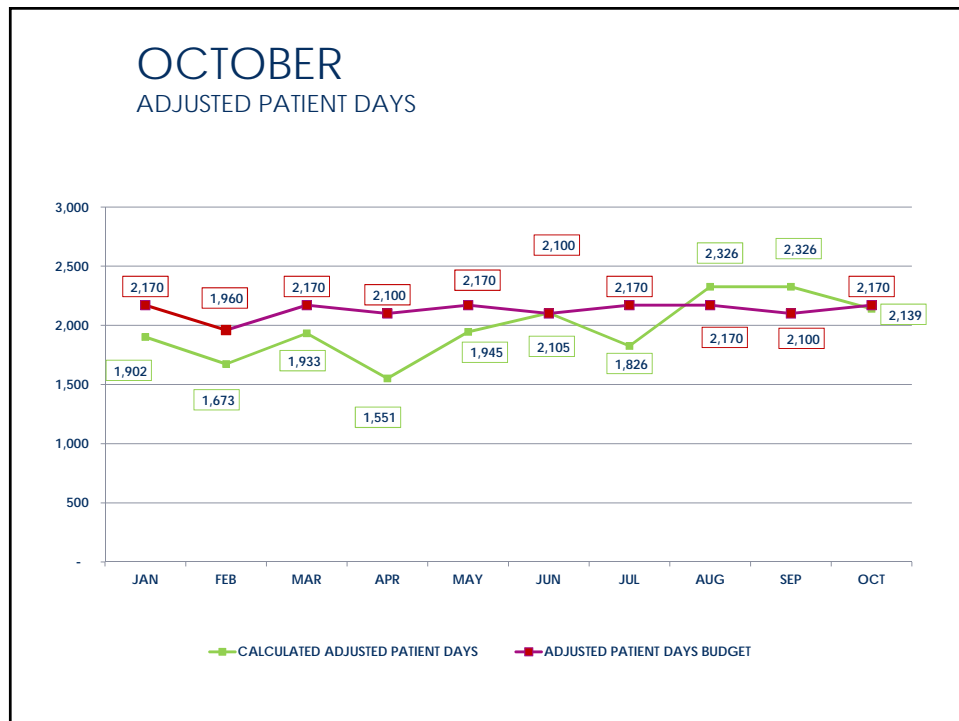
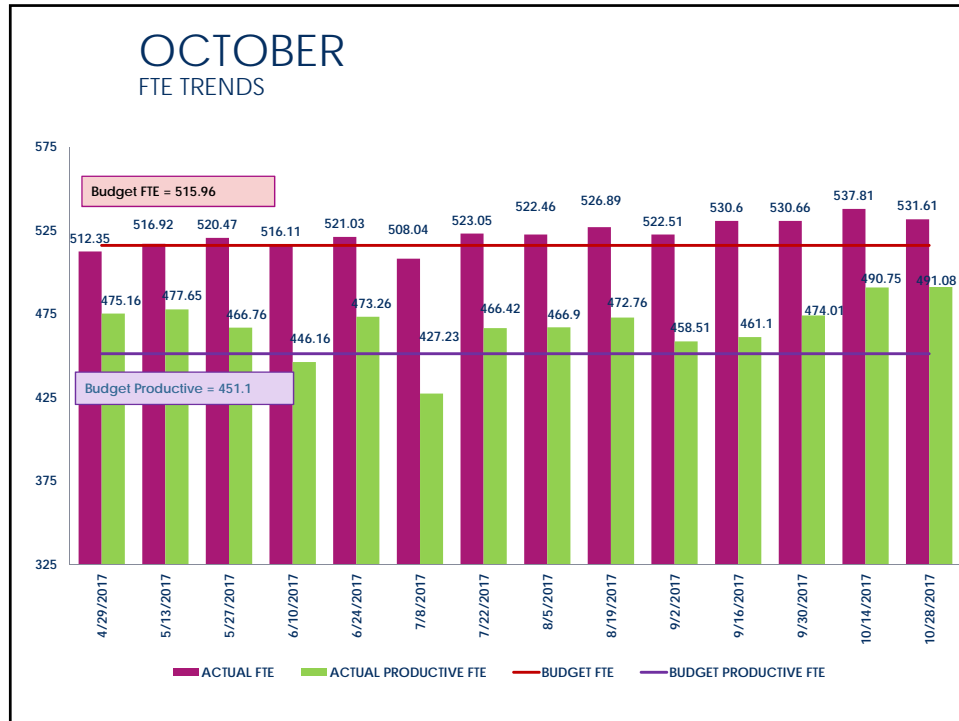
	October 2017 Actual	October 2017 Budget	Variance Favorable/ (Unfavorable)	%	October 2017 YTD	October 2017 Budget YTD	Variance Favorable/ (Unfavorable)	%	October 2016 YTD
Operating Expenses									
Salaries And Wages	4,304,326	4,211,112	(93,214)	-2%	40,787,650	41,296,054	508,404	1%	34,242,162
Employee Benefits	994,542	1,040,237	45,694	4%	10,070,282	10,201,026	130,744	1%	8,370,759
Professional Fees	443,189	290,474	(152,715)	-53%	4,213,131	2,848,521	(1,364,610)	-48%	3,017,481
Purchased Services	549,796	539,994	(9,802)	-2%	5,053,436	5,295,421	241,985	5%	4,694,840
Supplies	1,693,209	1,212,418	(480,791)	-40%	13,141,905	11,889,515	(1,252,390)	-11%	10,624,328
Insurance	49,650	57,753	8,103	14%	514,895	566,356	51,461	9%	547,890
Leases And Rentals	108,323	147,734	39,411	27%	1,135,082	1,448,747	313,665	22%	1,164,115
Depreciation And Amortization	386,854	312,906	(73,948)	-24%	3,565,398	3,068,496	(496,902)	-16%	3,143,045
Repairs And Maintenance	60,418	77,228	16,811	22%	458,785	757,335	298,550	39%	566,860
Utilities	114,804	78,128	(36,677)	-47%	848,392	766,154	(82,238)	-11%	671,146
Licenses And Taxes	60,487	46,565	(13,922)	-30%	541,709	456,636	(85,073)	-19%	528,748
Other	155,676	174,830	19,154	11%	1,314,744	1,714,463	399,719	23%	1,404,326
Total Operating Expenses	8,921,274	8,189,379	(731,895)	-9%	81,645,408	80,308,723	(1,336,686)	-2%	68,975,701
Operating Income (Loss)	276,394	319,995	(43,600)	-14%	1,688,436	3,138,011	(1,449,576)	-46%	1,292,465
Non Operating Revenues (Expenses)									
Taxation For Maint Operations	51,447	17,156	34,291	200%	203,184	168,241	34,943	21%	180,456
Taxation For Debt Service	57,562	19,003	38,559	203%	221,525	186,356	35,169	19%	266,226
Investment Income	51,778	6,582	45,196	687%	187,722	64,548	123,174	191%	94,861
Interest Expense	(64,270)	(85,615)	21,345	25%	(548,121)	(839,583)	291,462	35%	(396,448)
Bond Issuance Costs	-	(12,740)	12,740	100%	(10,000)	(124,932)	114,932	92%	0
Gain or (Loss) on Disposed Asset	13,483	-	13,483	0%	(25,556)	0	(25,556)	0%	46,749
Contributions	9,655	11,890	(2,235)	-19%	349,619	116,603	233,016	200%	43,060
Total Non Operating Revenues (Expenses)	119,655	(43,723)	163,377	374%	378,372	(428,767)	807,139	188%	234,904
Change in Net Position (Loss)	396,049	276,272	119,777	43%	2,066,808	2,709,244	(642,436)	-24%	1,527,370

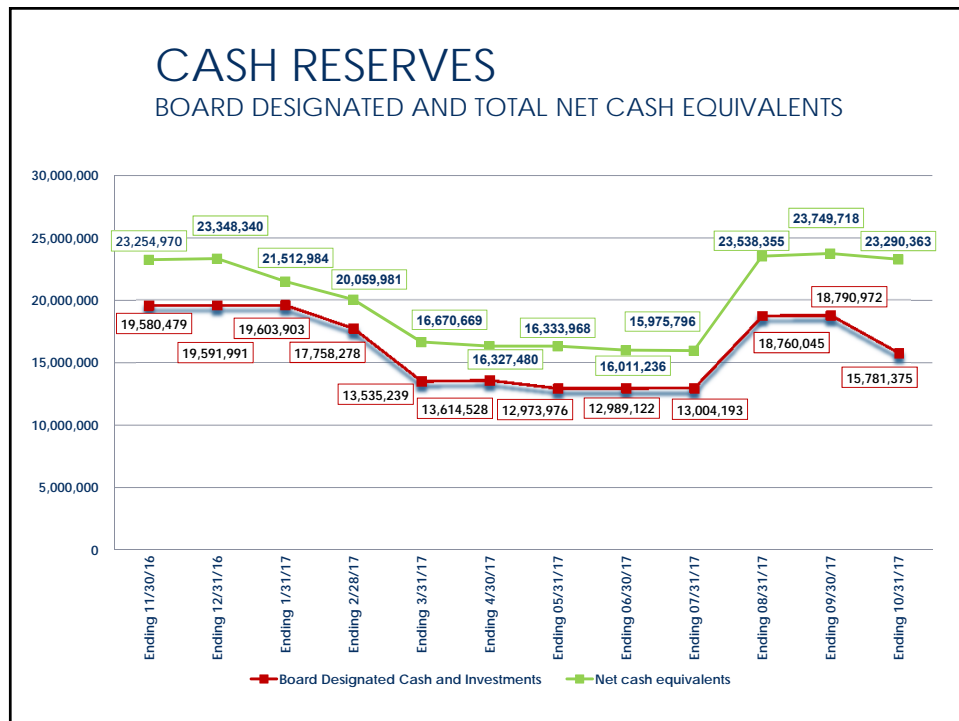
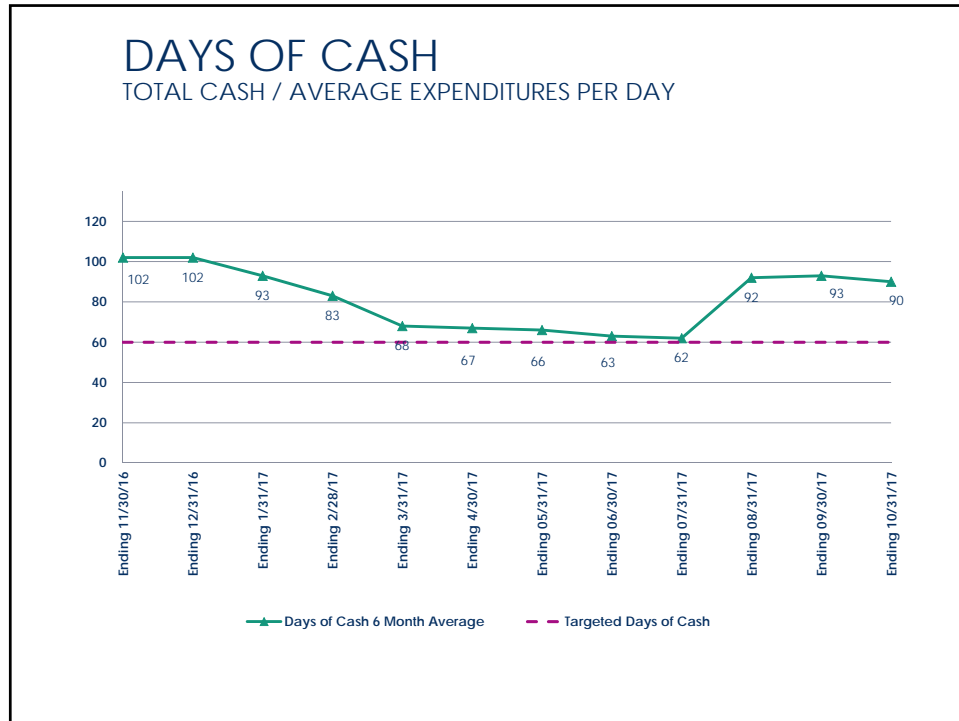
FINANCIAL SNAPSHOT

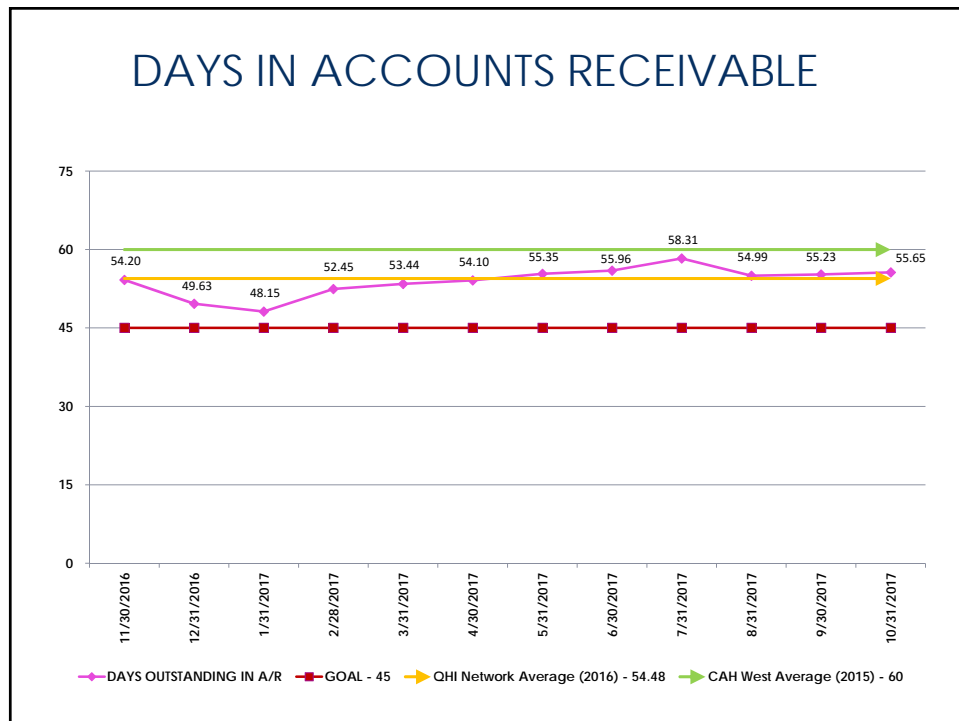
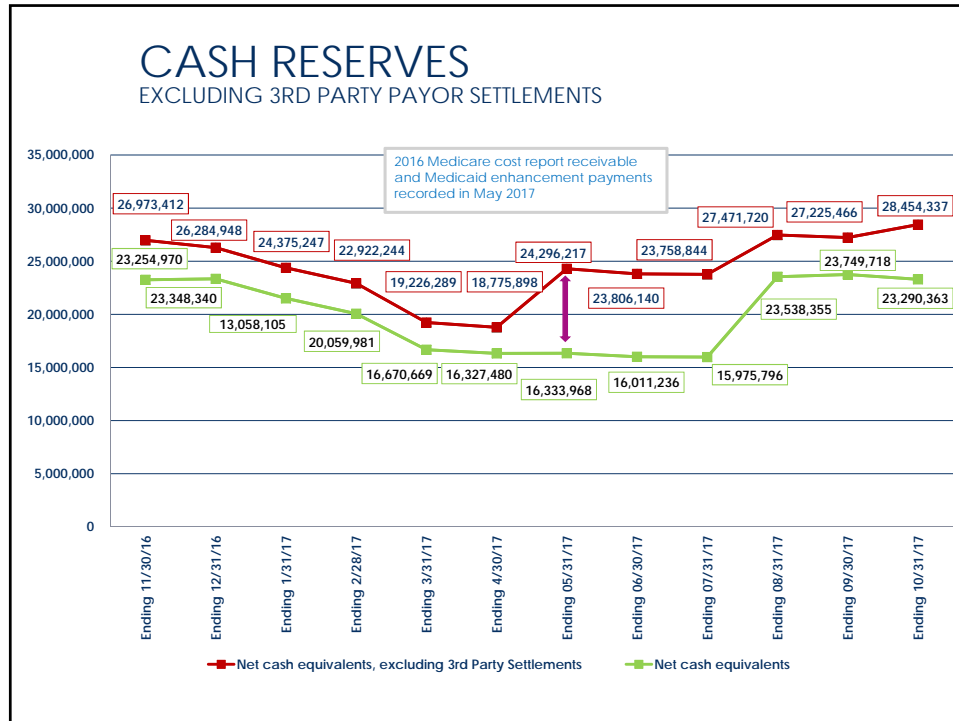
OCTOBER, MONTH AND YEAR TO DATE

	October 2017 Actual	October 2017 Budget	Variance Favorable/ (Unfavorable)	%	October 2017 YTD	October 2017 Budget YTD	Variance Favorable/ (Unfavorable)	%	October 2016 YTD
Operating Margin	3.0%	3.8%	-0.8%	-20.1%	2.0%	3.8%	-1.73%	-46.1%	1.8%
Total margin	4.3%	3.2%	1.1%	32.6%	2.5%	3.2%	-0.77%	-23.6%	2.2%
Inpatient gross revenue	4,408,734	3,440,801	967,932	28.1%	37,785,192	33,742,040	4,043,152	12.0%	28,063,203
Outpatient gross revenue	14,713,237	14,416,995	296,242	2.1%	136,610,187	141,379,525	(4,769,337)	-3.4%	115,059,668
Net patient revenue	8,763,243	8,132,776	630,466	7.8%	79,052,095	79,753,652	(701,557)	-0.9%	66,843,367
Deductions as a % of gross revenue	-54.2%	-54.5%	0.3%	0.5%	-54.7%	-54.5%	-0.21%	-0.4%	-53.3%
Charity as a % of gross revenue	-0.7%	-0.6%	0.0%	-7.6%	-0.5%	-0.6%	0.08%	13.4%	-0.6%
Bad Debt as a % of gross revenue	-1.5%	-1.5%	0.0%	-0.3%	-1.4%	-1.5%	0.07%	4.5%	-1.6%
Salaries & Benefits as a % of net pt. service rev.	-60.5%	-64.6%	4.1%	6.4%	-64.3%	-64.6%	0.24%	0.4%	-63.8%









2017 BOARD BUDGET

Department				OCTOBER			YTD			
Department	Description	Rev/Exp	Account	Account Description	OCTOBER	Budget	Variance	YTD Actual	YTD Budget	Variance
8612	BOARD	Exp	600010	MANAGEMENT & SUPERVISION WAGES	5,521.00	4,647.00	874.00	45,604.00	45,575.00	29.00
			602300	CONSULT MNGMT FEE	16,653.00	-	16,653.00	16,653.00	-	16,653.00
			602500	AUDIT FEES	-	2,973.00	(2,973.00)	30,982.00	29,151.00	1,831.00
			604200	CATERING	192.00	99.00	93.00	1,399.00	969.00	430.00
			604500	OFFICE SUPPLIES	-	-	-	128.00	-	128.00
			604800	MINOR EQUIPMENT	-	-	-	-	-	-
			604850	COMPUTER EQUIPMENT	-	-	-	-	-	-
			604900	OTHER NON-MEDICAL SUPPLIES	-	-	-	3.00	-	3.00
			606500	OTHER PURCHASED SERVICES	-	849.00	(849.00)	930.00	8,329.00	(7,399.00)
			608100	LEASES/RENTALS-BUILDINGS	-	-	-	-	-	-
			608200	LEASES/RENTALS - EQUIPMENT	-	-	-	74.00	-	74.00
			609200	LICENSE LICENSES AND TAXES	-	-	-	-	-	-
			609400	TRAVEL/MEETINGS/TRAINING	7,114.00	1,699.00	5,415.00	15,089.00	16,658.00	(1,569.00)
			609900	MISC OTHER EXP	-	-	-	-	-	-
		Exp Total			29,480.00	10,267.00	19,213.00	110,862.00	100,682.00	10,180.00
		BOARD Total			29,480.00	10,267.00	19,213.00	110,862.00	100,682.00	10,180.00
Grand Total					29,480.00	10,267.00	19,213.00	110,862.00	100,682.00	10,180.00

NOVEMBER PREVIEW

REVENUES

\$17,200,000 in HB charges

Average: \$574,000/day (HB only)

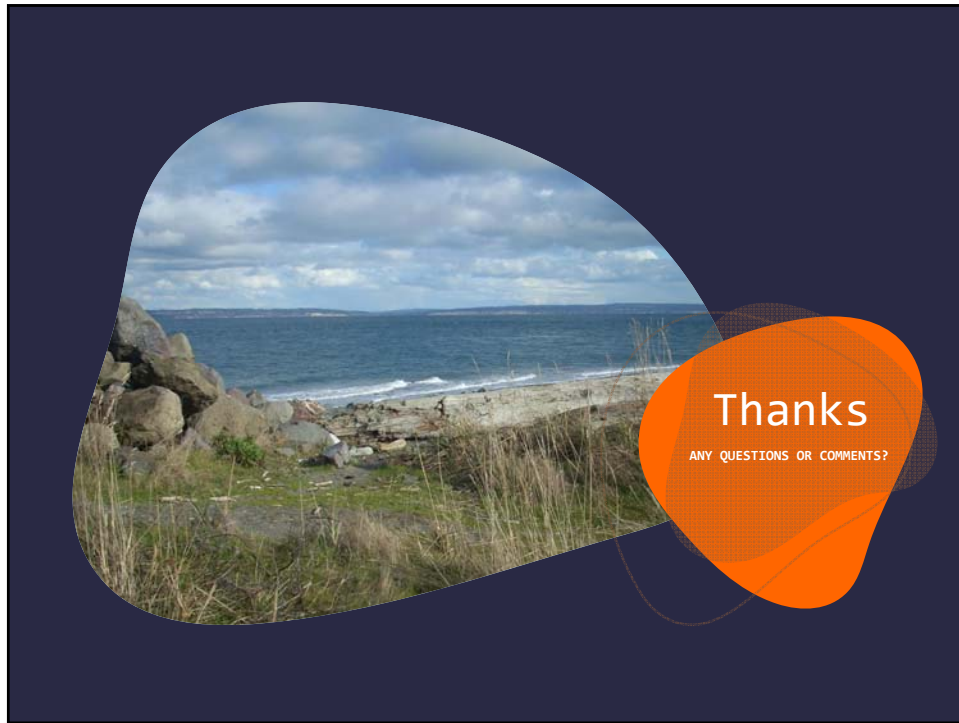
Budget: \$560,500/day

\$7,500,000 in HB cash collections

Average: \$247,000/day (HB only)

Goal: \$255,000/day

54.4 Days in A/R



Administrative Report

November 15, 2017

Best Doctor



Shannan Kirchner, MD

Best Clinic



Jefferson Healthcare Clinics

Best Nurse



Jeinell Harper, RN

Congratulations Shannan, Jeinell and the Clinics!

Community Health Improvement Plan
Executive Director Update



Senovia Ewers is on the job!!

Jefferson Healthcare Foundation

- Foundation Board has identified 3 Executive Director Candidates.
- Interviews are taking place.
- Hope to hire an Executive Director by the end of the year.
- Foundation will play a critical role in funding important community services.

And finally... to be announced tomorrow.

Jefferson Healthcare Receives National Recognition for Performance Leadership in Outcomes



iVantage Health Analytics and the National Organization of State Office of Rural Health recognizes Jefferson Healthcare for overall excellence in patient outcomes reflecting top quartile performance among all rural hospitals in the nation.